

SUMMARY

Increasing attention has been focused on a new concept: Prepaid Legal Services. Prepaid Legal Services have been acknowledged as the long-needed answer to the problem of providing low-cost legal services to the middle income American family. The popularity of these plans has been a result of a growing demand for a truly low-cost, comprehensive plan, that provides the type of services everyday Americans can avail themselves.

The AMERICAN BUSINESS ASSOCIATION, INC. Prepaid Legal Services Plans have been able to accomplish just that, after years of research and compiling actuary data, concerning the legal needs of middle income Americans.

Unfortunately, many of us cannot recognize a legal problem in time. The resulting penalty is usually all too time consuming and expensive. In order to fully appreciate the AMERICAN BUSINESS ASSOCIATION, INC. Prepaid Legal Services Plan, our subscribers are made aware of the many ways legal assistance can benefit the individual. This is especially true in the use of the advisory skills of an attorney for planning and/or problem prevention.

In addition, our subscribers recognize that Prepaid Legal Services Plans present a solution to the problems of high cost and limited accessibility.

During the course of our research, we were able to compile some interesting statistics on the cost of legal representation. The cost of a simple will is \$100.00; non-contested divorce-\$500.00; adoption proceedings-\$400.00; traffic violations-\$200.00; probate-\$1,000.00, and much more depending upon the length of attorney time involved. The AMERICAN BUSINESS ASSOCIATION, INC. Prepaid Legal Services/Attorney on retainer, offers services at affordable costs, so that every middle income American can have an attorney at their fingertips to handle unforeseen legal problems through the group purchasing power concept.

A number of prepaid legal plans have recently entered the field that obviously do not take the consumers total possibility of legal problems into consideration. Such plans that offer one-half to an hour of consultation, plans that offer \$100.00 deductible on a \$200.00 case, or plans that pay a maximum fee allowance per case, (e.g., \$100.00 towards a divorce; \$50.00 towards traffic violations etc.) serves no useful purpose. An attorney normally makes that much per hour, and with the normal attorney follow-up, at the attorney fee schedule, these plans prove to be nothing more than attorney referral programs.

The AMERICAN BUSINESS ASSOCIATION, INC. is proud of its ability to properly administer its Prepaid Legal Services Plans to its subscribers. The Association, through its' computer firm and cost evaluation analysis, has devised sophisticated mechanisms to reduce the administrative costs and provide inexpensive services to the subscriber.

This would include centralized and automatic payment methods to help reduce the expense of voluntary enrollment, which involves much heavier marketing costs as well as more expensive collection mechanisms. This would also include accounting and financial controls to comply with state laws governing financial records and disclosure, and plans subject to the Employees Retirement Insurance Security Act and the applicable federal E.R.I.S.A. provisions.

In addition, the AMERICAN BUSINESS ASSOCIATION, INC., as administrators of the Prepaid Legal Services Plan, has certain policy-making responsibilities, operating responsibilities, performance monitoring and evaluation, and a large competent staff to perform these vital functions.

In conclusion, the AMERICAN BUSINESS ASSOCIATION, INC. comprehensive Prepaid Legal Services Plan/Attorney on retainer, makes it easy to consult an attorney before signing a contract, dealing with an insurance problem, or making a decision that may have legal consequences.

The AMERICAN BUSINESS ASSOCIATION, INC. dedicates itself to provide subscribers with competent legal services at affordable prices, and to encourage preventive legal care and education before an attorney is necessary.

Now your time has come. Free your family from potential legal worries.

to provide affordable personal legal services to individual members of a group. Plans are based on the principles of group purchasing power and spreading the cost of services over a large number of people over a period of time. It works much in the same way as most group benefit plans. It also allows for certain standardized procedures which helps to lower other operating costs.

WHO ARE THE ATTORNEYS ?

The attorneys selected to represent our plan subscribers are carefully screened by the AMERICAN BUSINESS ASSOCIATION, INC. Board of Directors and Evaluation Committee. A decision is reached upon the acceptance of an attorneys' resume, his respect in the community, his physical capacity to properly service the plan subscriber, and the following:

1. Accessibility
2. Quality control
3. Administration
4. Lawyer/Client Relationships (Confidentiality maintained)

We require that our attorneys be members in good standing with the American Bar Association, State Bar and Local Bar Associations. Because of certain local bar associations ethics and grievance committee guidelines and the restrictions on lawyer advertising, the names of your attorneys will be furnished subsequent to your enrollment.

AMERICAN BUSINESS ASSOCIATION, INC.

PLAN SUBSCRIBER'S SURVEY

The following information must be completed prior to acceptance into the AMERICAN BUSINESS ASSOCIATION, INC. Prepaid Legal Services Plan. Be assured that the information requested will be strictly confidential.

1) NAME _____		2) SEX <input type="checkbox"/> M <input type="checkbox"/> F		3) MARITAL STATUS <input type="checkbox"/> married <input type="checkbox"/> separated <input type="checkbox"/> single <input type="checkbox"/> widowed <input type="checkbox"/> divorced	
a) SSN _____					
4) Date of Birth _____		5) Place of Birth _____		6) No. of dependents under age 19 _____	
7) Employer _____		Position _____		How long? _____	
8) Spouse's employer _____		Position _____		How long? _____	
9) Total Family Yearly Income					
<input type="checkbox"/> under \$7,500 <input type="checkbox"/> \$20,000 - 29,000 <input type="checkbox"/> \$50,000 and over <input type="checkbox"/> \$7,500 - 9,999 <input type="checkbox"/> \$30,000 - 39,999 <input type="checkbox"/> \$10,000 - 19,999 <input type="checkbox"/> \$40,000 - 49,999					
10) Do you <input type="checkbox"/> Own home? <input type="checkbox"/> Rent? <input type="checkbox"/> How long? _____					
11) Have you or any member of your family ever used an attorney? <input type="checkbox"/> Yes <input type="checkbox"/> No					
12) If your answer to number 11 was Yes, which family member? How many times? When?					
	SELF	SPOUSE	CHILD		
Number of times	_____	_____	_____		
Pending	_____	_____	_____		
Last Year	_____	_____	_____		
More than a year ago	_____	_____	_____		
More than five years ago	_____	_____	_____		
13) What was the attorney used for?					
<input type="checkbox"/> Automobile or other non-work accident <input type="checkbox"/> Workmen's Compensation <input type="checkbox"/> Divorce, separation, custody, support, or other family problems <input type="checkbox"/> Preparation or probating a will <input type="checkbox"/> Distribution of property after death of a family member <input type="checkbox"/> Tenant/Landlord, housing, or rent problems <input type="checkbox"/> Home purchase or ownership or other real estate problems <input type="checkbox"/> Debt, purchase on credit, fraudulent merchandise, or garnishment of wages <input type="checkbox"/> Difficulty with medical care or medical bills <input type="checkbox"/> Tax or insurance problem <input type="checkbox"/> Criminal charges <input type="checkbox"/> Juvenile delinquency <input type="checkbox"/> Other, Specify _____					
14) Even if you have never used a lawyer, you may have had a problem where a lawyer could help. Such problems are listed above. Think about the last few years. Check <u>all</u> problems you have faced for which you did not use a lawyer!					
NOTE: (Representative - ask from above list) Specify _____					
15) What has kept you or might keep you from using a lawyer? (Check all which apply)					
<input type="checkbox"/> The expected cost <input type="checkbox"/> Didn't know where to find a lawyer <input type="checkbox"/> Didn't know how to find a competent lawyer <input type="checkbox"/> Previous bad experience with lawyers <input type="checkbox"/> Distrust of lawyers <input type="checkbox"/> No time to look for lawyer <input type="checkbox"/> No time to follow through on legal case <input type="checkbox"/> Felt I could handle problem myself or had other source of advice <input type="checkbox"/> Embarrassment at needing or using a lawyer <input type="checkbox"/> Other, Specify _____					
I hereby accept responsibility for the accuracy of this information and indemnify AMERICAN BUSINESS ASSOCIATION, INC. and its employees, servants, and agents from any responsibility for its accuracy and validity, or the accuracy in its conveyance or transfer to third parties.					
Subscriber Signature _____			AMERICAN BUSINESS ASSOCIATION, INC. Representative _____		
			Date _____		

**PLAN ADMINISTRATOR
AMERICAN BUSINESS ASSOCIATION, INC.
2000 CENTURY PLAZA • COLUMBIA, MARYLAND 21044
WASHINGTON, D.C. • 301/596-3344
BALTIMORE, MD • 301/992-5444**

DATE

APPLICATION (please print)

1) NAME (LAST) (FIRST) (MIDDLE)			2) SSN	3) DATE OF BIRTH
4) HOME ADDRESS (STREET) (CITY) (STATE) (ZIP)				5) PHONE
6) NAME OF ASSOCIATION, UNION, or EMPLOYER			7) ADDRESS	
8) PHONE	9) DATE OF EMPLOYMENT		10) SPOUSE'S EMPLOYER	
11) PLAN COST/PLAN #	12) EFFECTIVE DATE		13) SEX _____ MALE _____ FEMALE	
14) AMOUNT RECEIVED	15) TERRITORY		16) MARITAL STATUS _____ married _____ single _____ separated _____ widowed _____ divorced	
17) MODE OF PAYMENT	18) LAW FIRM			
19) SALES REPRESENTATIVE				

20) DEPENDENTS INCLUDED UNDER THE PLAN

NAME	RELATIONSHIP	AGE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

WHEREAS: SUBSCRIBER is an individual seeking the benefit of group participation in the various plans and benefits made available to SUBSCRIBER by AMERICAN BUSINESS ASSOCIATION, INC. For the sum of \$20.00, a one - time Subscription fee, SUBSCRIBER shall be entitled to enrollment in a group and shall be entitled to participate in all plans and benefits that may from time to time be made available to such SUBSCRIBER.

THEREFORE: PLAN SUBSCRIBER is by virtue of the payment of said \$20.00 a Subscriber of AMERICAN BUSINESS ASSOCIATION, INC. SUBSCRIBER is and shall be entitled to all benefits made available by AMERICAN BUSINESS ASSOCIATION, INC. including the right to participate as a subscriber of a group in any plans, benefits, or programs made available by AMERICAN BUSINESS ASSOCIATION, INC.

CONTRACT

The undersigned (hereinafter referred to as subscriber) agrees to pay, in advance, the sum specified above to THE PLAN ADMINISTRATOR. PLAN ADMINISTRATOR hereby promises to provide and pay for legal services for the subscriber and the covered members of the subscriber's family in accordance with all the applicable terms, conditions and limitations of the Plan Description.

The subscriber further acknowledges by signing this instrument that he or she has been informed that they shall receive a copy of Plan Description by mail or in person by sales representative.

The subscriber further agrees to pay in advance, Plan cost according to mode of payment selected.

IN WITNESS WHEREOF this contract has been signed, hereto to take effect on the _____ day of _____, 19_____, by and between PLAN ADMINISTRATOR and SUBSCRIBER.

Applicant Signature

Authorized Representative